

Apr 3, 1971

THE FOLLOWING CHECKS HAVE BEEN DEPOSITED IN THE BANK:

November 2, 1970	Ashtons	\$1,000.00
November 2, 1970	R. R. Green	500.00
January 11, 1971	W. E. Sweeney	5,000.00
January 11, 1971	Wesley R. Budd	2,000.00
January 11, 1971	Wesley R. Budd	1,000.00
January 11, 1971	J. D. Boggess - Proxy	4,500.00
January 11, 1971	R. R. Green	433.50
January 12, 1971	Donald M. Hoggan	2,500.00
January 13, 1971	Lowe Ashton	5,000.00
January 13, 1971	J. D. Boggess	100.00
January 18, 1971	R. R. Green	2,566.50
January 18, 1971	R.R.Green	4,900.00
January 29, 1971	J. R. Edwards	3,000.00
February 1, 1971	W. R. Budd	2,000.00
February 3, 1971	Del Wallengren	2,000.00
February 12, 1971	Edward McLaughlin (phone)	15.85
February 25, 1971	Leon J. Ritchie	3,000.00
March 4, 1971	Lowe Ashton	21.59
March 11, 1971	J. D. Boggess (cash)	400.00
March 15, 1971	Lowe Ashton	5,910.92
March 23, 1971	Dennis A. Spendlove	500.00
March 23, 1971	Ed McLaughlin	984.15
March 26, 1971	C. H. Nielsen	3,000.00
April 1, 1971	Lowe Ashton	67.49

NOTES RECEIVED:

Lowe Ashton	1,500.00
Del Wallengren	4,000.00
Leon Ritchie	4,000.00

Total

\$59,900.00

STOCK HOLDERS EQUITY, INCLUDING NOTES, APRIL 3, 1971

	Cash:	Notes:
Lowe Ashton	\$13,500.00	\$1,500.00
W. E. Sweeney	5,000.00	
Wesley Budd	5,000.00	
R. R. Green	8,400.00	
J. D. Boggess	5,000.00	
Donald Hoggan	2,500.00	
Del Wallengren	2,000.00	\$4,000.00
Leon Ritchie	3,000.00	\$4,000.00
Rod Edwards	6,000.00	

FINANCIAL STATUS OF WASATCH MT. RAILWAY AS OF APRIL 1, 1971

Amount of money spent on company as of April 1, 1971: \$26,418.73

Amount of Money in bank \$23,981.27

Amount available upon payment of all notes: \$9,500.00

+ 3000 G. Mendenhall

BUDGET OF OPERATION FOR FOUR TO SIX MONTHS:

(Budget of Expenditures estimated for period required before Stock issue.)

A. *Equipment:

	HIGH	LOW
#35: (Rse.) Restoration	\$1,230.00	\$ 930.00
#110: (Fr.)	\$1,000.00	\$ 800.00
Box Car (SLG&W RR): ^{Purchase} (PP. Fgt)	\$ 700.00	\$ 650.00
Gondola Car: (PP. Fr.) (Ballast)	\$1,600.00	\$1,500.00
Box Car: (PP. Fr. Restoration) Have Seats	\$2,000.00	\$1,700.00
Box Car: (PP. Fr. Res.)	\$2,000.00	\$1,700.00
Flat Car: (PP. Fr. Res.) - Known by 10th	\$ 600.00	\$ 450.00
Combine: (Restoration) bath room, No crane	\$1,200.00	\$ 800.00
Total	\$10,330.00	\$8,530.00

*Equipment Code:

PP: Purchase Price

Fr: Freight

Res: Restoration

Note: This is suggested items of first purchase, felt by management to be the most necessary pieces to purchase in order to get into business this summer on a scenic ride basis. These include some purchase prices, restoration, freight as marked from the above CODE. Costs of seating and other factors could be highly speculative regarding general restoration.

- B. Track Work: Proposed run to Dam only for the first summer, no sidings in Canyon, but updating sidings in yard at Heber, Crossings, Crossing Signs, and general re-working from Heber to Charleston Bend, shoring up bridges, clearing track of rocks, replacing ballast, etc.

Total: \$5,000.00 for 1971

C. Heber Depot and Yard:

It is suggested that during this first summer we operate only on a single terminal: Heber Depot. Round Trips only between Heber and Deer Creek Dam. Therefore, the potential customers first impression

1500
Back Hoe
750

Re Roof, Repaint = 1600
Toilet facilities 4800
Platform 600
Concession 8600

Drop Pit 2800
Fueling #2
Water Stand 3
Contingent 500

No Black top

(3)

of Heber City terminal grounds becomes very important: We must consider parking, bath rooms, ticket areas, small office area, work area, concession facilities, land clearance, revenue from existing leasees, how much to compensate Lowe for land in stock options, concession facilities, etc. Rebuild Platforms, Paint Interior and Exterior, Replace Windows, New Roof, Some Backshop, gravel areas, parking and grading, heat and water, water tower, new wiring, etc.

Too Low

Total: \$18,000.00 TO \$10,000.00

D. General Administrative costs for four months up to six months:

	Four Months	Six Months
Wages for Ed, Dennis, Gordon and Secretary:	\$5,500.00	\$7,700.00
Telephone:	200.00	400.00
Rent:	360.00	550.00
Auto Mileage and Travel expense:	400.00	700.00
Advertising: signs, brochures, etc.	2,500.00	2,500.00
TOTAL	\$8,960.00	\$11,850.00

E. Start up costs: Fuel, Water, Employee Wages, Uniforms (?) \$3,000.00

F. Land Acquisition Options and purchases \$5,000.00

G. Potertial Legal Fees \$2,000.00

H. Contingency Factor \$6,500.00

10%

Note: We are carrying a heavy contingency factor to avoid any possibility of going into debt to a point we have a poor credit rating or there is any possibility of running out of money to stop operating.

Using the six months as a basis for figuring high and low costs factors, it is apparrent we will require from \$59,880.00 to \$61,680.00 as a minimum for operations prior to stock issue. With the known factor that we have available \$33,481.27, this means at a minimum we lack from \$26,398.73 to \$28,198.73 for safety or success.

36,000
25

Bruce Hafen - Stock Issues -

OTHER CONSIDERATIONS:

A. Availibility of additional equipment:

Met with Union Pacific officials in Omaha, Neb. April 5, 6, 7, to discuss Heber Creeper train project. Jim Berry is going and stated he could have me met the top officials of the UP. The aspect of equipment donations could then and there discussed.

B. Old Station Masters Home:

Owned by Duane Smith

Buy it, or have it moved for the building of a new structure on the old foundation. A place is needed for a watchman and perhaps location of public rest rooms.

- C. Removal of existing Property Leasees: Mr. Smith, Mr. Barnes, American Oil, Standard Oil: worth as income to property, approx. \$2,500.00 per year.
- D. Loss of image due to poor public relations, expecting something fancy getting poor feeling of operation could haunt us for years.

THEREFORE: WHAT SHOULD WE DO???

- A. Stay within existing amount of Money, poorboy all the way.
- B. Existing Stock Holders put up more money.
- C. Reorganize company and its stock holders in order to raise more money within ten people.
- D. Borrow Money
- E. Combination of the above in some manner.
- F. Go into the scrap iron business in a big way!

15,770 + int tx 2200/acre cost.
11 acres - + option 4 more acres.

Memorandum

UTAH STATE DEPARTMENT OF HIGHWAYS

RECEIVED
DATE: March 31, 1971

TO : Gordon Harmston, Executive Director
Division of Natural Resources

FROM : Henry C. Helland, Director of Highways

SUBJECT: S.J.R. No. 16 - Sale of Property in Provo Canyon

As directed by the 1971 Legislature through S.J.R. No. 16, the Highway Department is instigating steps to effect sale, under terms that would serve the greatest public interest, to the Division of Parks and Recreation all of the Road Commission's right, title, and interest to a portion of the railroad line as it presently exists adjacent to portions of Wasatch Mountain State Park and in Provo Canyon. Such a proposal first has to be presented to our Road Commission which meets April 9th, after which a thorough review with the Governor would appear in order since other State Departments are involved.

On making a State determination, application would then be made to the Federal Highway Administration for their concurrence in the sale of the property and agreement to the terms of the sale. This is necessary since the Federal Government does have a vested interest in the properties in that they participated in the original purchase cost with Federal Highway Trust Fund monies. This action would probably require at least three months time since the Division Office of the Federal Highway Administration has indicated to us that a final determination on this matter would likely have to be made at the Washington level.

Knowing that the Division of Parks and Recreation and the railroad operators are anxious to commence operation of trains over the tracks between Heber and Wildwood as a tourist facility, we would suggest an easement for such use for an interim period would expedite the railroad project. We would be willing to immediately solicit the Commission's approval to negotiate with the Division of Parks and Recreation a four or five year lease for this purpose with a conditional option for the Division of Parks and Recreation to purchase the facilities at anytime prior to the termination date of said lease as the necessary approvals can be obtained from the Federal Highway Administration and provisions of sale agreed to.

We would be anxious to hear if this approach would satisfy your intended program.

9 May 71

